

Union Calendar No. 321

119TH CONGRESS
1ST SESSION

H. R. 5317

[Report No. 119-369]

To amend the Federal Deposit Insurance Act to ensure that certain custodial deposits of well capitalized insured depository institutions are not considered to be funds obtained by or through deposit brokers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 2025

Mr. HILL of Arkansas introduced the following bill; which was referred to the Committee on Financial Services

NOVEMBER 4, 2025

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on September 11, 2025]

A BILL

To amend the Federal Deposit Insurance Act to ensure that certain custodial deposits of well capitalized insured depository institutions are not considered to be funds obtained by or through deposit brokers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Community Bank De-*
 5 *posit Access Act of 2025”.*

6 **SEC. 2. LIMITED EXCEPTION FOR CUSTODIAL DEPOSITS.**

7 *(a) IN GENERAL.—Section 29 of the Federal Deposit*
 8 *Insurance Act (12 U.S.C. 1831f) is amended by adding at*
 9 *the end the following:*

10 *“(j) LIMITED EXCEPTION FOR CUSTODIAL DEPOS-*
 11 *ITS.—*

12 *“(1) IN GENERAL.—Custodial deposits of an eli-*
 13 *gible institution shall not be considered to be funds*
 14 *obtained, directly or indirectly, by or through a de-*
 15 *posit broker to the extent that the total amount of*
 16 *such custodial deposits does not exceed an amount*
 17 *equal to 20 percent of the total liabilities of the eligi-*
 18 *ble institution.*

19 *“(2) DEFINITIONS.—In this subsection:*

20 *“(A) CUSTODIAL DEPOSIT.—The term ‘cus-*
 21 *todial deposit’ means a deposit that is not depos-*
 22 *ited at an insured depository institution in re-*
 23 *turn for fees paid by the insured depository in-*
 24 *stitution pursuant to an agreement with a third*
 25 *party and that would otherwise be considered to*

1 *be obtained, directly or indirectly, by or through*
2 *a deposit broker, if the deposit is deposited at 1*
3 *or more insured depository institutions, for the*
4 *purpose of providing or maintaining deposit in-*
5 *surance for the benefit of a third party, by or*
6 *through any of the following, each acting in a*
7 *formal custodial or fiduciary capacity for the*
8 *benefit of a third party:*

9 *“(i) An insured depository institution*
10 *serving as agent, trustee, or custodian.*

11 *“(ii) A trust entity controlled by an*
12 *insured depository institution serving as*
13 *agent, trustee, or custodian.*

14 *“(iii) A State-chartered trust company*
15 *serving as agent, trustee, or custodian.*

16 *“(iv) A plan administrator or invest-*
17 *ment advisor, acting in a formal custodial*
18 *or fiduciary capacity for the benefit of a*
19 *plan.*

20 *“(B) ELIGIBLE INSTITUTION.—The term ‘el-*
21 *igible institution’ means an insured depository*
22 *institution that accepts custodial deposits, if the*
23 *insured depository institution has less than*
24 *\$10,000,000,000 in total assets as reported on the*
25 *consolidated report of condition and income as*

1 *reported quarterly to the appropriate Federal*
 2 *banking agency and—*

3 “(i)(I) *when most recently examined*
 4 *under section 10(d) was assigned a com-*
 5 *posite rating of 1, 2, or 3 under the Uni-*
 6 *form Financial Institutions Rating System*
 7 *(or an equivalent rating under a com-*
 8 *parable rating system); and*

9 “(II) *is well capitalized; or*

10 “(ii) *has obtained a waiver pursuant*
 11 *to subsection (c).*

12 “(C) *PLAN.—The term ‘plan’ has the mean-*
 13 *ing given the term in section 3 of the Employee*
 14 *Retirement Income Security Act of 1974 (29*
 15 *U.S.C. 1002).*

16 “(D) *PLAN ADMINISTRATOR.—The term*
 17 *‘plan administrator’ has the meaning given the*
 18 *term ‘administrator’ in section 3 of the Em-*
 19 *ployee Retirement Income Security Act of 1974*
 20 *(29 U.S.C. 1002).*

21 “(E) *WELL CAPITALIZED.—The term ‘well*
 22 *capitalized’ has the meaning given the term in*
 23 *section 38(b).”.*

24 “(b) *INTEREST RATE RESTRICTION.—Section 29 of the*
 25 *Federal Deposit Insurance Act (12 U.S.C. 1831f), as*

1 *amended by subsection (a), is further amended by adding*
 2 *at the end the following:*

3 “(k) *RESTRICTION ON INTEREST RATE PAID ON CER-*
 4 *TAIN CUSTODIAL DEPOSITS.—*

5 “(1) *DEFINITIONS.—In this subsection—*

6 “(A) *the terms ‘custodial deposit’, ‘eligible*
 7 *institution’, and ‘well capitalized’ have the*
 8 *meanings given those terms in subsection (j); and*

9 “(B) *the term ‘covered insured depository*
 10 *institution’ means an insured depository institu-*
 11 *tion that while acting as an eligible institution*
 12 *under subsection (j), accepts custodial deposits*
 13 *while not well capitalized.*

14 “(2) *PROHIBITION.—A covered insured deposi-*
 15 *tory institution may not pay a rate of interest on*
 16 *custodial deposits that are accepted while not well*
 17 *capitalized that, at the time the funds or custodial de-*
 18 *posits are accepted, significantly exceeds the limit set*
 19 *forth in paragraph (3).*

20 “(3) *LIMIT ON INTEREST RATES.—The limit on*
 21 *the rate of interest referred to in paragraph (2) shall*
 22 *be not greater than—*

23 “(A) *the rate paid on deposits of similar*
 24 *maturity in the normal market area of the cov-*
 25 *ered insured depository institution for deposits*

1 *accepted in the normal market area of the cov-*
2 *ered insured depository institution; or*

3 *“(B) the national rate paid on deposits of*
4 *comparable maturity, as established by the Cor-*
5 *poration, for deposits accepted outside the nor-*
6 *mal market area of the covered insured deposi-*
7 *tory institution.”.*

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